

Legislation would provide small businesses tax relief and close tax loopholes used to send jobs overseas

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Washington, D.C. – Congressman Jerry McNerney voted for a jobs creation bill that would provide tax relief to small businesses and close tax loopholes used by big corporations to outsource American jobs. H.R. 5982, the Small Business Tax Relief Act, would close tax loopholes that give big corporations the incentive to create jobs overseas instead of in the U.S. The legislation was considered at the close of last week.

“It’s time to start cracking down on corporations that ship American jobs overseas,” said Rep. McNerney. “I’ve heard from many people in our area whose jobs have been outsourced and I recently introduced a bill to address this issue. Keeping well-paying jobs right here at home is key to our economic recovery.”

The legislation would provide small businesses with tax relief by lifting certain reporting requirements contained in the Patient Protection and Affordable Care Act. These provisions, which have not yet taken effect but are scheduled to begin in 2012, would require businesses to file information returns, or 1099s, for business-to-business transactions of \$600 or more for both goods and services. H.R. 5982 would reverse those requirements before they are implemented and is supported by the National Federation of Independent Business (NFIB). The legislation is fiscally responsible and fully paid for.

“Several of my constituents wrote and called me to express their serious concerns about how these provisions could affect their small businesses,” said Rep. McNerney. “I’m committed to fighting for tax relief for small businesses, which will be the engine of our community’s economic recovery. I appreciate the feedback I received on this issue and look forward to continuing to work with small business owners in our area to provide them with the resources to succeed.”

H.R. 5982 required two-thirds support to pass, but unfortunately was defeated with 241 votes in favor of the legislation and 154 against.